

[Company Letterhead]

[Date]

[Client Name]

[Client Address]

[City, State, Zip Code]

Subject: Engagement Letter for Solvency and Liquidity Review

Dear [Name of Contact Person],

This letter confirms the terms and objectives of our engagement to perform a Solvency and Liquidity Review for [Company Name] (the "Company") as of [Report Date].

1. Scope of Services

We will perform a review of the Company's financial position to determine whether:

- The assets of the Company, fairly valued, equal or exceed its total liabilities.
- The Company is able to pay its debts as they become due in the ordinary course of business.
- The Company has adequate capital and liquidity for its current and projected operations.

2. Management Responsibilities

Management is responsible for:

- Providing accurate and complete financial records, projections, and supporting documentation.
- Disclosing all known contingent liabilities and legal claims.
- Ensuring that the assumptions used in financial forecasts are reasonable and consistent with the business environment.

3. Reporting

At the conclusion of our review, we will issue a written report detailing our findings. This report is intended solely for the information and use of the management and board of directors of the Company and should not be distributed to third parties without our prior written consent.

4. Fees

Our professional fees for this engagement are estimated at [Amount], plus out-of-pocket expenses. An initial retainer of [Amount] is required upon signing this letter.

5. Limitation of Liability

Our review does not constitute an audit of the financial statements, and we will not express an opinion on the financial statements as a whole. Our services cannot be relied upon to disclose errors, fraud, or illegal acts.

Please sign and return the enclosed copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for this engagement.

Sincerely,

[Your Name/Firm Name]

[Your Title]

Acknowledgment:

Accepted by: _____

Date: _____